

1 Teresa M. Corbin (SBN 132360)
Denise M. De Mory (SBN 168076)
2 Jaclyn C. Fink (SBN 217913)
HOWREY LLP
3 525 Market Street, Suite 3600
San Francisco, California 94105
4 Telephone: (415) 848-4900
Facsimile: (415) 848-4999

5 Attorneys for Plaintiffs
6 AEROFLEX, INC.,
AMI SEMICONDUCTOR, INC.,
7 MATROX ELECTRONIC SYSTEMS, LTD.,
MATROX GRAPHICS INC.,
8 MATROX INTERNATIONAL CORP.,
MATROX TECH, INC. and
9 AEROFLEX COLORADO SPRINGS, INC.

10 UNITED STATES DISTRICT COURT
11 NORTHERN DISTRICT OF CALIFORNIA
12 SAN FRANCISCO DIVISION
13

14 RICOH COMPANY, LTD.,

15 Plaintiff,

16 vs.

17 AEROFLEX INCORPORATED, AMI
SEMICONDUCTOR, INC., MATROX
18 ELECTRONIC SYSTEMS, LTD., MATROX
GRAPHICS INC., MATROX
19 INTERNATIONAL CORP., MATROX TECH,
INC., and AEROFLEX COLORADO SPRINGS,
20 INC.,

21 Defendants.
22

Case No. CV 03-04669 MJJ (EMC)

**AMENDED ANSWER AND
COUNTERCLAIMS OF DEFENDANT
MATROX GRAPHICS INC., TO
AMENDED COMPLAINT FOR PATENT
INFRINGEMENT**

23 Defendant Matrox Graphics Inc. ("Matrox Graphics") for its Amended Answer to the Amended
24 Complaint and for its Counterclaims, hereby responds to the numbered paragraphs of the Amended
25 Complaint filed by Ricoh Company, Ltd. ("RicoH"), and in doing so denies the allegations of the
26 Amended Complaint except as specifically stated:
27
28

PARTIES

1
2 1. Upon information and belief, Matrox Graphics admits that plaintiff Ricoh is a
3 corporation organized under the laws of Japan and maintains its principal place of business at 3 -6 1-
4 chome, Nakamagome, Tokyo, Japan.

5 2. Matrox Graphics lacks information sufficient to form a belief as to the truth of the
6 allegations of Paragraph 2, and on that basis, denies those allegations.

7 3. Matrox Graphics lacks information sufficient to form a belief as to the truth of the
8 allegations of Paragraph 3, and on that basis, denies those allegations.

9 4. Matrox Graphics lacks information sufficient to form a belief as to the truth of the
10 allegations of Paragraph 4, and on that basis, denies those allegations.

11 5. Matrox Graphics admit s that Matrox Graphics is a corporation organized under the
12 laws of Quebec, Canada, and maintains its principal place of business at 1055 Boul St -Regis, Dorval,
13 Quebec H9P 2T4 Canada. Except as expressly admitted, Matrox Graphics denies the allegations of
14 Paragraph 5 of the Amended Complaint.

15 6. Matrox Graphics lacks information sufficient to form a belief as to the truth of the
16 allegations of Paragraph 6, and on that basis, denies those allegations.

17 7. Matrox Graphics lacks information sufficient to form a belief as to the truth of the
18 allegations of Paragraph 7, and on that basis, denies those allegations.

19 8. Matrox Graphics lacks information sufficient to form a belief as to the truth of the
20 allegations of Paragraph 8, and on that basis, denies those allegations.

JURISDICTION

21
22 9. Matrox Graphics admits that plaintiff's claim purports to arise under the patent laws of
23 the United States, Title 35, and more particularly under 35 U.S.C. §§ 271 *et. seq.* Except as expressly
24 admitted, Matrox Graphics denies the allegations of Paragraph 9 of the Amended Complaint.

25 10. Matrox Graphics admits that the Court has subject matter jurisdiction over the
26 allegations of patent infringement in the Amended Complaint pursuant to 28 U.S.C. §§ 1338(a) and
27 1331. Except as expressly admitted, Matrox Graphics denies the allegations of Paragraph 10 of the
28 Amended Complaint.

1 11. Matrox Graphics denies that the Court has personal jurisdiction over Matrox Graphics.
2 Except as expressly denied, Matrox Graphics lacks information sufficient to form a belief as to the
3 truth of the allegations of Paragraph 11, and on that basis, denies those allegations.

4 **VENUE**

5 12. Matrox Graphics admits that venue is proper in this judicial district pursuant to 28
6 U.S.C. § 1391. Except as expressly admitted, Matrox Graphics denies the allegations of Paragraph 12
7 of the Amended Complaint.

8 **FACTUAL BACKGROUND**

9 13. Matrox Graphics admits that United States Patent No. 4,922,432 (“the ‘432 Patent”)
10 entitled “Knowledge Based Method and Apparatus for Designing Integrated Circuits using Functional
11 Specifications,” issued on May 1, 1990. Matrox Graphics admits that the ‘432 Patent names Hideaki
12 Kobayashi and Masahiro Shindo as inventors. Matrox Graphics further admits that a copy of the ‘432
13 Patent is attached to the Amended Complaint as Exhibit 1. Except as expressly admitted, Matrox
14 Graphics denies the allegations of Paragraph 13 of the Amended Complaint.

15 14. Matrox Graphics lacks information sufficient to form a belief as to the truth of the
16 allegations of Paragraph 14, and on that basis, denies those allegations.

17 15. Matrox Graphics lacks information sufficient to form a belief as to the truth of the
18 allegations of Paragraph 15, and on that basis, denies those allegations.

19 **PATENT INFRINGEMENT**

20 **COUNT 1**

21 16. Matrox Graphics repeats its responses to the allegations in Paragraphs 1 through 15 of
22 the Amended Complaint.

23 17. Matrox Graphics lacks information sufficient to form a belief as to the truth of the
24 allegations of Paragraph 17, and on that basis, denies those allegations.

25 18. Matrox Graphics lacks information sufficient to form a belief as to the truth of the
26 allegations of Paragraph 18, and on that basis, denies those allegations.

27 19. Matrox Graphics lacks information sufficient to form a belief as to the truth of the
28 allegations of Paragraph 19, and on that basis, denies those allegations.

20 Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 20, and on that basis, denies those allegations.

21. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 21, and on that basis, denies those allegations.

COUNT 2

22. Matrox Graphics repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

23. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 23, and on that basis, denies those allegations.

24. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 24, and on that basis, denies those allegations.

25. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 25, and on that basis, denies those allegations.

26. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 26, and on that basis, denies those allegations.

27. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 27, and on that basis, denies those allegations.

COUNT 3

28. Matrox Graphics repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

29. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 29, and on that basis, denies those allegations.

30. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 30, and on that basis, denies those allegations.

31. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 31, and on that basis, denies those allegations.

32. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 32, and on that basis, denies those allegations.

1 33. Matrox Graphics lacks information sufficient to form a belief as to the truth of the
2 allegations of Paragraph 33, and on that basis, denies those allegations.

3 **COUNT 4**

4 34. Matrox Graphics repeats its responses to the allegations in Paragraphs 1 through 15 of
5 the Amended Complaint.

6 35. Matrox Graphics denies each and every allegation in Paragraph 35 of the Amended
7 Complaint.

8 36. Matrox Graphics denies each and every allegation in Paragraph 36 of the Amended
9 Complaint.

10 37. Matrox Graphics denies each and every allegation in Paragraph 37 of the Amended
11 Complaint.

12 38. Matrox Graphics denies each and every allegation in Paragraph 38 of the Amended
13 Complaint.

14 39. Matrox Graphics denies each and every allegation in Paragraph 39 of the Amended
15 Complaint.

16 **COUNT 5**

17 40. Matrox Graphics repeats its responses to the allegations in Paragraphs 1 through 15 of
18 the Amended Complaint.

19 41. Matrox Graphics lacks information sufficient to form a belief as to the truth of the
20 allegations of Paragraph 41, and on that basis, denies those allegations.

21 42. Matrox Graphics lacks information sufficient to form a belief as to the truth of the
22 allegations of Paragraph 42, and on that basis, denies those allegations.

23 43. Matrox Graphics lacks information sufficient to form a belief as to the truth of the
24 allegations of Paragraph 43, and on that basis, denies those allegations.

25 44. Matrox Graphics lacks information sufficient to form a belief as to the truth of the
26 allegations of Paragraph 44, and on that basis, denies those allegations.

27 45. Matrox Graphics lacks information sufficient to form a belief as to the truth of the
28 allegations of Paragraph 45, and on that basis, denies those allegations.

COUNT 6

46. Matrox Graphics repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

47. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 47, and on that basis, denies those allegations.

48. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 48, and on that basis, denies those allegations.

49. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 49, and on that basis, denies those allegations.

50. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 50, and on that basis, denies those allegations.

51. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 51, and on that basis, denies those allegations.

COUNT 7

52. Matrox Graphics repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

53. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 53, and on that basis, denies those allegations.

54. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 54, and on that basis, denies those allegations.

55. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 55, and on that basis, denies those allegations.

56. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 56, and on that basis, denies those allegations.

57. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 57, and on that basis, denies those allegations.

DEFENSES

In further response to the Amended Complaint, Defendant Matrox Graphics asserts the following:

FIRST AFFIRMATIVE DEFENSE: INVALIDITY

58. The '432 Patent is invalid for failure to meet the requirements specified in Title 35 of the United States Code, including, but not limited to, 35 U.S.C. §§ 101, 102, 103, and 112 for one or more of the following reasons: (a) the inventor named in the '432 Patent did not invent or discover any new useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof within the meaning of 35 U.S.C. § 101; (b) the subject matter claimed in the '432 Patent was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before it was invented by the inventors named in the '432 Patent, as prohibited by 35 U.S.C. § 102(a); (c) the subject matter claimed in the '432 Patent was patented or described in a printed publication in this or a foreign country or was in public use or on sale in this country, more than one year prior to the filing of the application which resulted in the '432 Patent in the United States, as prohibited by 35 U.S.C. § 102(b); (d) the subject matter claimed in the '432 Patent was described in a United States patent based on an application filed in the United States or described in an application published prior to its invention by the inventors named in the '432 Patent, as prohibited by 35 U.S.C. § 102(e); (e) the inventor named in the '432 Patent did not invent the subject matter; (f) the subject matter claimed in the '432 Patent was invented in this country by another inventor, who did not abandon, suppress or conceal it, before its invention by the inventors named in the '432 Patent, as prohibited by 35 U.S.C. § 102(g); (g) the subject matter claimed in the '432 Patent would have been obvious, in view of the prior art, to a person having ordinary skill in the art at the time the invention was made under 35 U.S.C. § 103; and/or (h) the claims of the '432 Patent are invalid for failing to comply with 35 U.S.C. § 112, in that (i) the specification fails to contain a written description of the subject matter claimed in the '432 Patent and the manner and process of making and using it; (ii) the claims fail to particularly point out and distinctly claim a patentable invention, (iii) the claims are indefinite, (iv) the specification fails to enable one skilled in the art to practice the claimed invention, and/or (v) the specification fails to set forth the best mode contemplated by the named

1 inventors for carrying out the alleged invention. Defendant reserves the right to amend this defense
2 further, as additional information is developed through discovery or otherwise.

3 **SECOND AFFIRMATIVE DEFENSE: NONINFRINGEMENT**

4 59. Matrox Graphics has not used within the United States any processes that infringe any
5 valid claim of the '432 Patent, either directly, indirectly, contributorily or otherwise, and has not
6 induced others to infringe any valid claim of the '432 Patent.

7 60. Matrox Graphics has not offered to sell, sold, and/or imported within the United States
8 any product made by a process that infringes any valid claim of the '432 Patent, either directly,
9 indirectly, contributorily, or otherwise, and has not induced others to infringe any valid claim of the
10 '432 Patent.

11 **THIRD AFFIRMATIVE DEFENSE: LACHES**

12 61. Between 1991 and 2001 Plaintiff Ricoh and Knowledge Based Silicon Corporation
13 ("KBS") were co-assignees of the '432 patent. Pursuant to agreement, Ricoh paid the maintenance fees
14 for the '432 patent. On information and belief, Ricoh and KBS coordinated all activities related to the
15 '432 patent.

16 62. In or about 1991, KBS unsuccessfully tried to persuade Synopsys, Inc. ("Synopsys"), to
17 license the '432 Patent. KBS subsequently abandoned those efforts, and instead developed and
18 marketed products that were interoperable with Synopsys' Design Compiler product. Towards this
19 end, KBS acquired a license to Design Compiler and received assistance from Synopsys to make its
20 products interoperable with the Design Compiler software. At no point during these cooperative efforts
21 did KBS make any allegation that Synopsys' Design Compiler software, or any other Synopsys
22 product, was infringing the '432 Patent.

23 63. Matrox Graphics purchased the Design Compiler software from Synopsys.

24 64. Plaintiff is barred from recovery of damages by reason of laches.

25 **FOURTH AFFIRMATIVE DEFENSE: IMPLIED LICENSE**

26 65. Plaintiff is barred from obtaining any relief sought in the Am ended Complaint by
27 reason of the existence of an implied license to practice the claims of the '432 Patent between Plaintiff
28

1 and Synopsys. Plaintiff's action against Matrox Graphics is barred by the doctrine of patent
2 exhaustion.

3 **FIFTH AFFIRMATIVE DEFENSE: PROSECUTION HISTORY ESTOPPEL**

4 66. By reason of the arguments presented during the prosecution of the applications for the
5 '432 Patent in the United States Patent and Trademark Office, Ricoh is estopped from construing the
6 claimed inventions of such patent (or any equivalent thereof) as applying to any product made, used,
7 sold, or offered for sale by Matrox Graphics.

8 **RESERVATION OF AFFIRMATIVE DEFENSES**

9 67. With discovery still ongoing, Matrox Graphics has yet to complete its investigation.
10 Matrox Graphics reserves the right to assert any other defenses that discovery may reveal, including
11 unclean hands or inequitable conduct.

12 **COUNTERCLAIMS**

13 Counterplaintiff Matrox Graphics, Inc. ("Matrox Graphics"), for its counterclaims against
14 Counterdefendant Ricoh Company, Ltd. ("Rico"), alleges as follows:

15 **PARTIES**

16 68. Matrox Graphics is a corporation organized under the laws of Quebec, Canada, and
17 maintains its principal place of business at 1055 Boul St -Regis, Dorval, Quebec H9P 2T4 Canada.

18 69. Upon information and belief, Ricoh is a corporation organized under the laws of Japan,
19 having its principal place of business at 3 -6 1-chome, Nakamagome, Tokyo, Japan.

20 **JURISDICTION AND VENUE**

21 70. Counts 1 through 2 of the counterclaims are based upon the Patent Laws of the United
22 States, Title 35 of the United States Code, §1 *et seq.* The Court has jurisdiction over the counterclaims
23 pursuant to 28 U.S.C. §§ 1331, 1338(a), 2201, and 2202.

24 71. Ricoh has submitted to the personal jurisdiction of this Court, because suit was filed in
25 this district by Counterdefendant Ricoh.

26 72. Venue is proper in this district pursuant to 28 U.S.C. § 1391, because suit was filed in
27 this district by Counterdefendant Ricoh.

73. There is an actual justifiable case or controversy between Matrox Graphics and Ricoh, in this district, arising under the Patent Laws, 35 U.S.C. § 1 *et seq.* This case or controversy arises by virtue of Ricoh's filing of this suit which purports to allege that Matrox Graphics infringes U.S. Patent No. 4,922,432 ("the '432 Patent") and Matrox Graphics' Answer thereto, which asserts the invalidity and noninfringement of the '432 Patent.

COUNT 1

DECLARATORY JUDGMENT OF INVALIDITY

74. Matrox Graphics incorporates by reference Paragraphs 1 -73 into this count as though fully set forth herein.

75. The '432 Patent, entitled "Knowledge Based Method and Apparatus for Designing Integrated Circuits using Functional Specifications" issued on May 1, 1990. Ricoh purports to be the owner of the '432 Patent.

76. Ricoh has sued Matrox Graphics in the present action, alleging infringement of the ‘432 Patent.

77. Based on Paragraph 58 above, which is specifically incorporated by reference into this Paragraph, the '432 Patent is invalid.

78. Matrox Graphics requests declaratory judgment that the '432 Patent is invalid.

COUNT 2

DECLARATORY JUDGMENT OF NONINFRINGEMENT

79. Matrox Graphics incorporates by reference Paragraphs 1 -78 into this count as though fully set forth herein.

80. Based on Paragraphs 59 and 60 above, which are specifically incorporated by reference into this Paragraph, the ‘432 Patent is not infringed by Matrox Graphics.

81. Matrox Graphics requests declaratory judgment that Matrox Graphics has not infringed the '432 Patent.

RESERVATION OF COUNTERCLAIMS

82. Matrox Graphics reserves the right to assert any other counterclaims that discovery may reveal, including, but not limited to, claims arising out of false or misleading statements to the public and/or customers.

PRAYER FOR RELIEF

WHEREFORE, Matrox Graphics respectfully prays for the following relief:

- A. that this Court deny and all relief requested by Plaintiff in its Amended Complaint and any relief whatsoever, and that the Amended Complaint be dismissed with prejudice;
- B. that this Court declare the '432 Patent invalid;
- C. that this Court declare the '432 Patent unenforceable;
- D. that this Court declare that Matrox Graphics has not infringed any valid claim of the '432 Patent;
- E. that this Court declare the case to be exceptional pursuant to 35 U.S.C. § 285 and that costs of his action and attorneys' fees be awarded to Matrox Graphics;
- F. that this Court grant such other and further relief to Matrox Graphics as this Court may deem just and equitable and as the Court deems appropriate.

DEMAND FOR JURY TRIAL

Defendant Matrox Graphics hereby demands trial by jury in this action.

Dated: April 7, 2006

Respectfully submitted,

HOWREY LLP

By: /s/Denise M. De Mory
Denise M. De Mory
Attorneys for Defendants
AEROFLEX, INC., MATROX TECH
SEMICONDUCTOR, INC., MATROX
ELECTRONIC SYSTEMS, LTD.,
MATROX GRAPHICS INC., MATROX
INTERNATIONAL CORP., MATROX
TECH, INC. AND
AEROFLEX COLORADO SPRINGS,
INC.